

**Business Location Facts**
Location in District #21**Corporate** BAE Systems Land & Armaments LP**Category:** Expansion**Information:** 163 Rochester Drive
Louisville, KY 40214**Metro**
Location: Same as above**Web Site:** <http://www.baesystems.com>

Business Description: BAE Systems Land & Armaments (“BAE Systems”) is a global manufacturer of combat vehicles, naval guns, missile launchers and artillery systems. Headquartered in Arlington, Virginia, the transatlantic business has operations in more than two dozen countries.

Project Description: The proposed project involves expanding production operations and capabilities in Louisville. Specifically, the project will consolidate operations from South Dakota and Minnesota into one premier Naval Center of Excellence. The Center will be a premier showcase of the company’s capabilities and will attract global customers.

BAE Systems would prefer to expand its operations in Louisville; however, the company is compelled to locate this project where we will achieve the lowest level of production costs in the highly competitive defense industry. The proposed project would be undertaken at BAE’s current location in Louisville. The project investment is an estimated \$22 million in leasehold improvements, machinery & equipment and other related start-up costs.

BAE Systems expects the project to create 201 new, highly technical jobs over a three year job creation period concluding in December 2012. The jobs created will need to be staffed by very highly-skilled manufacturing personnel. BAE Systems intends to pay the personnel an average rate of \$18.27 per hour, plus benefits.

Primary Incentive requested: ☒ KBI ☐ KRA ☒ KEIA ☐ OTHER(s)**Local Participation:** The recommended local occupational tax participation level for KBI Incentives is 1%.**KEDFA Proceedings:**

Preliminary Approval Date:	October 29, 2009
Final Approval Date:	Expected October 2010
Activation Date:	Expected October 2012

Projected Investment and Employment:

Existing Louisville Employment: 243	Total Square Footage: Within Existing
Jobs to be created at activation: 201	Ultimate Investment: \$3,995,000
Average F/T Salary: \$38,002	New Payroll at activation: \$7,638,322

Local Annual Economic Impact at Activation (year one):

	Direct Impact (spin-off)	Total Impact
Projected tax revenues	\$130,528	\$402,051
*Local KBI benefits	\$76,384	\$76,384
Net benefit to community (Local new taxes, less incentives)	\$54,144	\$325,667

***State to Local Participation Ratio is 75% from the State with 25% local participation.**